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PUBLIC (REDACTED) VERSION

UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Competitive Product Prices Inbound International Expedited Services 2 (MC2009-10) Docket No. CP2013-77

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE NOTICE OF CHANGES IN RATES NOT OF GENERAL APPLICABILITY

(August 27, 2013)

The Public Representative hereby provides comments, pursuant to Order No. 1812. In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative on the Postal Service's Notice of a change in rates not of general applicability for the Inbound International Expedited Services 2 product, effective January 1, 2014.

The Public Representative has reviewed the financial model, filed under seal, which estimates the expected contribution and cost coverage for the Inbound International Expedited Services 2 product during Calendar Year (CY) 2014 using the proposed rates presented in the Postal Service's Notice. According to the Postal Service, the CY 2014 financial model purports to show that the proposed rates will generate sufficient revenues to cover costs.

Based upon a review of the model and recent financial results for Inbound EMS, the Public Representative finds that the Postal Service's CY 2014 financial model is potentially problematic and does not comment on compliance with 39 U.S.C. 3633(a)(2).

The following PR comments explain why, and identify specifics contained in the Postal Services non-public financial model. Accordingly, a redacted version of these Comments as well as a non-public version will be filed.

¹ PRC Order No. 1812, Notice and Order on Changes in Rates Not of General Applicability and Changes in Rates Not of General Applicability and Changes to Product Description for Inbound EMS 2, August 16, 2013.

² Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability and Changes to Product Description for Inbound EMS 2, August 15, 2013 (Notice).

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Public Representative is bringing this point to the Commission's attention because she could not fully investigate this in a reasonable amount of time, and
past, the Postal Service has been optimistic about their forecasts.
The Public Representative respectfully submits these comments for the Commission's consideration. Although the Commission is firm on timely filings in these Dockets, because of the potential importance of the issues mentioned above, the Public Representative believed it was important to file.

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Respectfully Submitted,

/s/ Manon A. Boudreault

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